This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 05 THE HAGUE 002168

SIPDIS

SENSITIVE

STATE FOR AC/CB, NP/CBM, VC/CCB, L/ACV, IO/S SECDEF FOR OSD/ISP
JOINT STAFF FOR DD PMA-A FOR WTC
COMMERCE FOR BIS (GOLDMAN)
NSC FOR JOECK
WINPAC FOR LIEPMAN

E.O. 12958: N/A TAGS: <u>PARM PREL CWC</u>

SUBJECT: CHEMICAL WEAPONS CONVENTION (CWC): WEEKLY

WRAP-UP FOR 27 AUGUST 2004

This is CWC-97-04.

2005 BUDGET

- 11. (U) The Technical Secretariat has distributed an information paper (transmitted to AC/CB) providing responses to questions raised by delegations during the July budget consultations. Budget co-facilitators Gordon Eckersley (Australia) and Ian Mundell (Canada) have announced that they intend to resume budget consultations on September 7, hold three days of consultations that week, and inquire about the possibility of continuing budget discussions for two days during the week of September 13. Although industry consultations have been scheduled for that week, Eckersley and Mundell will inquire whether industry consultations could be compressed into three days to leave more time for discussion of the budget. The facilitators also emphasized that they would be open to follow-on questions from delegations for immediate transmission to the TS prior to the September 7 resumption of budget talks. In an August 26 discussion, Eckersley highlighted the fact that he and Mundell plan to discuss the TS proposal to convert all of the security guards to fixed term contracts.
- 12. (U) Del also met with Rick Martin, Head of the TS Budget and Finance Branch (BFB), on August 26. Martin said that at this point he personally has not had a lot of inquiries from delegations about RBB-specific issues, such as performance indicators (although that could be because the budget consultations might be the preferred forum for raising those kind of matters). He anticipates many more questions from delegations in the coming weeks about staff costs and, in particular, salary increase calculations. He made clear he was open to a discussion on current practices for determining salary increases.
- ¶3. (U) Finally, an informal sounding of delegates' views of the DG's proposed 4.8% budget increase for 2005, at a German reception on August 26, indicated that most delegations continue to wait for instructions from capitals on the budget increase. None of the delegates queried had yet adopted a firm position on the proposed increase.

STATUS OF RABTA CONVERSION REQUEST

14. (U) On August 27, the Libyan delegation presented the conversion request for the former CW production facility at Rabta, to the Technical Secretariat (TS). As the delegation had been informed beforehand, the version delivered to the TS incorporated all the changes to the text provided to the Libyans by Washington via the delegation. Delegation has requested a copy of the updated electronic version of the documents, as presented to the TS on Friday, and anticipates receiving it on or about August 31.

15. (U) Delegation has been informed by the TS that its initial evaluation of the documents revealed certain organizational and textual errors, which it intends to notify the Libyan delegation of on or about September 1. The TS intends to continue its evaluation of the document with an eye to further refining it. Delegation has notified the TS that Del anticipate having our next set of inputs to the Libyans by NLT September 3, and that Del believe all other parties, including the TS, must do likewise to ensure the paper can be updated and "finalized" by September 10, in time for the upcoming EC session. Delegation notes that while the substantive OPCW office responsible for evaluating this document is fully sensitize to this timeline, historically the Policy Making Organs office has been responsible for delaying the distribution of such documents. Delegation therefore intends to monitor this process closely to ensure the document does become hung up "at the editors."

- 16. (SBU) Delegation believes that finalization and distribution of the Director-General's paper evaluating the Libyans' proposed technical change is imminent. Delegation has worked closely with the TS Legal Advisor to facilitate evaluation of the document by Washington and the incorporation of U.S. comments and suggestions in the document. Having just received and evaluated the most recent copy of the document, delegation is satisfied that all Washington comments have been incorporated, though minor editing mistakes will be identified to the TS for final correction.
- 17. (U) Delegation is in the process of determining availability of Italian, British, and Libyan experts to attend a set of meetings in The Hague the week of September 20, to scrub the Libyan documents a final time and to produce fodder for a Corrigendum, if one is needed. UK has indicated it supports the initiative and Del will determine Libya and Italy's status in the next 24 hours.

MARQUARDT RECORDS REVIEW

18. (U) Delegation has been informally told by the TS that the review of destruction records at the Washington POE for the facility at Marquardt went extremely well. No indications of problems were indicated in their preliminary internal reporting. Delegation believes this will remain the case, as the TS viewed this largely as a "fig leaf" by which we could finally remove this issue from our list of outstanding problems.

PBA FIRS

19. (U) Per guidance, delegation delivered the relevant talking points to the TS regarding unacceptable changes being made by the TS to the Final Inspection Reports for Pine Bluff Arsenal production facility destruction inspections. Immediate if informal feedback from the TS is that they will likely cease and desist pushing on the subject of enumerating ranges of quantities of items of equipment designated by the U.S. as "various."

AMCIT REPRESENTATION AT THE OPCW

- 110. (U) Del continues to be actively engaged with personnel in the Human Resources office regarding Amcit representation in the OPCW, an issue which Ambassador Javits has raised with the Director-General. In early August, Del met with HR director Eva Murray and others from the TS Human Resources and Recruitment offices to discuss both hiring practices within the TS and the status of Amcit applications.
- 111. (U) During those discussions, HR reviewed the hiring process, noting that the process typically involved applications received by TS, from which "short lists" of qualified candidates drawn up for proposal to a review board. The review board is comprised of representatives from the office holding the open slot, the incumbent (if available), staff rep from human resources and a representative from the DC's office. HR noted how the factor of "geographic distribution" is part of the consideration of filling posts and that this delays the hiring process and has an impact on the applicant pool.
- 112. (U) HR staff noted that U.S. representation at the OPCW might be aided by U.S. proposal of "national candidates," a practice common with other States Parties. To obtain a better picture of the overall status of Amcit applications, we were provided an opportunity to review submitted applications for open positions. From this review, Del requested copies of Amcit applications for review by Washington. Del also requested breakdowns of percentage representation of SP staff at the OPCW, with specifics regarding senior management slots vs. general slots. Finally, Del have spoken with several TS Amcit staff who have experienced the hiring practices at the OPCW, in particular, two Amcit staff in the legal office were not hired despite having very impressive resumes and qualifications.

IT ISSUES - VIS

¶13. (U) Gred

113. (U) Greg Linden, Chief/Information Services Branch (ISB), presented a status report on the Verification Information System Enhancement Project (VIS) to the Director-General and Deputy DG on August 18 (faxed and sent by DHL back to AC/CB). A wide range of views among the VIS Project Management Board members (DDG, Chief/Verification

Division, Acting Chief/Inspectorate, Chief/Office of Confidentiality and Security, and Chief/ISB) led the DG to

STPDTS

decide to put the VIS contract temporarily on hold while the Project Management Board takes stock of the situation and decides the best way forward.

- 114. (U) As a significant element of this effort, the DG recommended that the OPCW accept the U.S. offer of a cost-free IT expert and contracting officer who will play a key role in the project assessment effort. (Note: the DG's letter accepting that offer was FAXed to Washington on August 120. Delegation has received Washington's reply and a letter from Ambassador Javits to the DG will be delivered on September 1.) Although the U.S. Voluntary Contribution of \$570,000 has been expended, funding for the follow-on VIS project should be available from the current TS FY04 budget.
- 115. (U) Linden reported that, in his view, VIS has suffered from lack of full-time TS personnel, disagreements among Project Management Board members, and the contractor's inability to cope with the expanding scope of the contract. Linden intends to redress these issues by assigning three or four ISB staff to VIS full-time. The U.S. offer to provide a cost-free Project Manager/Contracting Officer is greatly appreciated and will significantly enhance the VIS effort. Linden questioned whether Sitar, Inc., can handle the VIS as now envisaged and is open to involvement of other companies if needed. Finally, Linden characterized the DDG as a good manager with no previous experience in IT development efforts, which has contributed to the infighting.

IT ISSUES - IPB REQUEST FOR COST-FREE IT EXPERT

- 116. (U) The TS Implementation Support Branch (IPB) provided the delegation its proposal for a cost-free U.S. IT expert (faxed back to AC/CB). IPB is proposing to house an IT expert for a full year (2005) to work on three tasks: update and put on-line InfoPack number 1, develop and update an interactive on-line and CD-ROM based version of InfoPack number 2, and populate the newly developed National Implementation Profiles database. Del noted the importance the U.S. places on SPs' national implementation effort and that commencing this important implementation support effort in January could have a negative impact on SPs' efforts to implement by CSP-10. Del asked whether some of the work could start earlier, say around CSP-9. Sergei Kisselev of IPB said that yes, perhaps some work could start in November. (Note: Chief/IPB told us that the same request also had been made to a number of other delegations. When told that the proposed work program did not seem to require someone full-time for a year, she replied that more tasks would be considered and assigned over time).
- 117. (U) Del asked whether Chief/ISB Greg Linden was aware of the proposal and if so, whether he supported the initiative. Kisselev said that no, ICB had yet to advise Linden of the effort, but that the IT expert would work closely with ISB. Because the OPCW website is maintained by Peter Kaiser, Chief/Office of Public Affairs, the expert actually would need to work closely with the OPA personnel who designed and now maintain the website. Del asked both Kaiser and Linden whether they were aware of the ICB's request and both replied they were not aware of that request to the U.S. Furthermore, Linden noted that, per an ICB request, ISB developed a beta version of the National Authorities chat room that is now being tested in Public Affairs. Linden's concern is not ICB's request for programming, it is the availability of knowledgeable ICB moderators to ensure acceptable content and to make sure questions posted to the site are answered quickly.
- 118. (U) To ensure that all affected TS offices fully support the ICB request to the U.S., Del are arranging a meeting with representatives of those offices the week of September 6. In separate discussions, we will also make the point that similar official TS requests should be made by senior TS officials who can ensure that any such request is made only after being fully vetted within the TS.

OCPF SITE SELECTION

119. (U) Facilitator Johan Verboom (Netherlands) held an informal discussion with U.S. Del rep, Arya Sandeep/India, and Theo Juurlink/TS on August 26, proposing that the next consultation, to be held sometime during the industry intersessional (exact date TBD), begin the process of breaking down the Swiss/U.S. methodology into its three components and allowing delegations to debate each element individually. To start off, Juurlink will present the TS

proposal for distribution of its information points, breaking down the A14 methodology into its component factors and introduce several possible new factors (late/incomplete declarations, site relevance -- high:batch & multi-purpose/intermediate:in the middle/low:dedicated and continuous process, etc). Juurlink intends to incorporate delegations recommendations into an auditable, nondiscriminatory, and repeatable TS methodology. If time allows, the facilitator will initiate debate on the first element in the Swiss/U.S. paper -- probability proportional to size of the SPs' OCPF industry. Sandeep noted that India prefers the current practice of equally weighting SPs, and that India could not support the Swiss/U.S. alternative.

(U) The facilitator proposes beginning debate in mid-October on the third piece -- SPs' nomination points Verboom plans to keep the discussion limited to the Indian, Swiss, TS, and U.S. delegations. Sandeep noted Delhi's concern regarding potential for politicization and collusion, and proposed (on a personal basis) that instead, SPs could nominate a class of facilities against which the TS could spread their points. This could mimic the Al4 factors, making it easier for the TS to process. Sandeep also noted India's dislike of equal weights for each of the three factors. Del replied that other suggestions are welcome.

TS TRANSFER MONITORING

STPDTS

 $\P 21.$ (U) Del continues working with Radoslav Deyanov of the TS Declarations Branch to support TS efforts to publish a

comprehensive paper on transfers monitoring. Del understands the paper is in the DG's office for review and is unchanged from the redline version provided to AC/CB in mid-August. Once the DG has signed off on release of the paper, Deyanov plans to approach select delegations with the text to solicit feedback. Deyanov anticipates DG release of paper by late Sept 3.

LATE SUBMISSIONS OF ART. VI DECLARATIONS

- (U) Del continues coordination with Leo Espinoza, Sandor Laza and Carlos Trentadue of the Declarations Branch to complete a paper on late submissions of Art. VI declarations in preparation for industry consultations in November. Anticipated facilitator (Williams, U.S.) has a paper in draft form and is awaiting additional information from the TS regarding late submissions impact on the selection process to identify operational concerns to spur SP Options for consideration proposed in the paper include recommending unclassified TS reporting on SPs and relevant plant site numbers prior to EC sessions, reporting directly to the EC instead of during destruction informals, increasing the chances for selection of plant sites submitted late and emphasizing the need for nil/null declarations as affirmative responses to complete status picture.
- (U) While the proposed mechanism for resolution will depend upon SP input during consultations, options include standard draft decision language, EC report language or, following the lead of transfer discrepancies, requesting the TS to issue a paper/guidelines concerning TS actions for SPs

to consider. Once data is received from the declarations branch, the draft paper will be provided to AC/CB for review targeted for the end of next week, then to WEOG for coordination and bilateral discussions in mid-Sept. Based upon discussions with WEOG countries, by early Oct., the target is to distribute the facilitator's paper to State Parties for consideration well in advance of November consultations. This should provide sufficient time for States Parties to consider the subject and consult with the facilitator prior to consultations so that a quick resolution recommending TS action can be sought prior to the November round of consultations.

124. (U) Ito sends. RUSSEL